Caution: DRAFT FORM

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.ustreas.gov).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

Form **1040** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return **1998**
(99) IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 1998, or other tax year beginning , 1998, ending , 19 OMB No. 1545-0074

Label
(See instructions on page 12.)

Use the IRS label. Otherwise, please print or type.

LABEL HERE

Your first name and initial	Last name
If a joint return, spouse's first name and initial	Last name
Home address (number and street). If you have a P.O. box, see page 12.	Apt. no.
City, town or post office, state, and ZIP code. If you have a foreign address, see page 12.	

Your social security number

Spouse's social security number

▲ IMPORTANT! ▲
You **must** enter your SSN(s) above.

Presidential Election Campaign (See page 12.)

	Yes	No
Do you want $3 to go to this fund?		
If a joint return, does your spouse want $3 to go to this fund?		

Note: *Checking "Yes" will not change your tax or reduce your refund.*

Filing Status
Check only one box.

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☐ Married filing separate return. Enter spouse's social security no. above and full name here. ▶
4 ☐ Head of household (with qualifying person). (See page 12.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
5 ☐ Qualifying widow(er) with dependent child (year spouse died ▶ 19). (See page 12.)

Exemptions
6a ☐ **Yourself.** If your parent (or someone else) can claim you as a dependent on his or her tax return, **do not** check box 6a
b ☐ **Spouse**

No. of boxes checked on 6a and 6b

c **Dependents:**

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) ✓ if qualifying child for child tax credit (see page 13)

If more than six dependents, see page 13.

No. of your children on 6c who:
- **lived with you**
- **did not live with you due to divorce or separation (see page 13)**

Dependents on 6c not entered above

Add numbers entered on lines above ▶

d Total number of exemptions claimed

Income
Attach Copy B of your Forms W-2, W-2G, and 1099-R here.

If you did not get a W-2, see page 14.

Enclose but do not attach any payment. Also, please use **Form 1040-V.**

7	Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a	**Taxable** interest. Attach Schedule B if required		8a	
b	**Tax-exempt** interest. DO NOT include on line 8a	8b		
9	Ordinary dividends. Attach Schedule B if required		9	
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 15)		10	
11	Alimony received		11	
12	Business income or (loss). Attach Schedule C or C-EZ		12	
13	Capital gain or (loss). Attach Schedule D		13	
14	Other gains or (losses). Attach Form 4797		14	
15a	Total IRA distributions 15a	**b** Taxable amount (see page 16)	15b	
16a	Total pensions and annuities 16a	**b** Taxable amount (see page 16)	16b	
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	
18	Farm income or (loss). Attach Schedule F		18	
19	Unemployment compensation		19	
20a	Social security benefits 20a	**b** Taxable amount (see page 18)	20b	
21	Other income. List type and amount—see page 18		21	
22	Add the amounts in the far right column for lines 7 through 21. This is your **total income** ▶		22	

Adjusted Gross Income
If line 33 is under $30,095 (under $10,030 if a child did not live with you), see EIC inst. on page 30.

23	IRA deduction (see page 19)	23		
24	Student loan interest deduction (see page 21)	24		
25	Medical savings account deduction. Attach Form 8853	25		
26	Moving expenses. Attach Form 3903	26		
27	One-half of self-employment tax. Attach Schedule SE	27		
28	Self-employed health insurance deduction (see page 22)	28		
29	Keogh and self-employed SEP and SIMPLE plans	29		
30	Penalty on early withdrawal of savings	30		
31a	Alimony paid **b** Recipient's SSN ▶	31a		
32	Add lines 23 through 31a		32	
33	Subtract line 32 from line 22. This is your **adjusted gross income** ▶		33	

Tax and Credits

Standard Deduction for Most People

Single: $4,250

Head of household: $6,250

Married filing jointly or Qualifying widow(er): $7,100

Married filing separately: $3,550

34	Amount from line 33 (adjusted gross income)	34	
35a	Check if: ☐ **You** were 65 or older, ☐ Blind; ☐ **Spouse** was 65 or older, ☐ Blind. Add the number of boxes checked above and enter the total here ▶ 35a		
b	If you are married filing separately and your spouse itemizes deductions or you were a dual-status alien, see page 23 and check here ▶ 35b ☐		
36	Enter the **larger** of your **itemized deductions** from Schedule A, line 28, **OR standard deduction** shown on the left. **But** see page 23 to find your standard deduction if you checked any box on line 35a or 35b **or** if someone can claim you as a dependent	36	
37	Subtract line 36 from line 34	37	
38	If line 34 is $93,400 or less, multiply $2,700 by the total number of exemptions claimed on line 6d. If line 34 is over $93,400, see the worksheet on page 24 for the amount to enter	38	
39	**Taxable income.** Subtract line 38 from line 37. If line 38 is more than line 37, enter -0-	39	
40	**Tax.** See page 24. Check if any tax from **a** ☐ Form(s) 8814 **b** ☐ Form 4972 ▶	40	
41	Credit for child and dependent care expenses. Attach Form 2441 — 41		
42	Credit for the elderly or the disabled. Attach Schedule R — 42		
43	Child tax credit (see page 25) — 43		
44	Education credits. Attach Form 8863 — 44		
45	Adoption credit. Attach Form 8839 — 45		
46	Foreign tax credit. Attach Form 1116 if required — 46		
47	Other. Check if from **a** ☐ Form 3800 **b** ☐ Form 8396 **c** ☐ Form 8801 **d** ☐ Form (specify) ______ — 47		
48	Add lines 41 through 47. These are your **total credits**	48	
49	Subtract line 48 from line 40. If line 48 is more than line 40, enter -0- ▶	49	

Other Taxes

50	Self-employment tax. Attach Schedule SE	50	
51	Alternative minimum tax. Attach Form 6251	51	
52	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	52	
53	Tax on IRAs, other retirement plans, and MSAs. Attach Form 5329 if required	53	
54	Advance earned income credit payments from Form(s) W-2	54	
55	Household employment taxes. Attach Schedule H	55	
56	Add lines 49 through 55. This is your **total tax** ▶	56	

Payments

Attach Forms W-2 and W-2G on the front. Also attach Form 1099-R if tax was withheld.

57	Federal income tax withheld from Forms W-2 and 1099 — 57		
58	1998 estimated tax payments and amount applied from 1997 return — 58		
59a	**Earned income credit.** Attach Schedule EIC if you have a qualifying child **b** Nontaxable earned income: amount ▶ ______ and type ▶ ______ — 59a		
60	Additional child tax credit. Attach Form 8812 — 60		
61	Amount paid with Form 4868 (request for extension) — 61		
62	Excess social security and RRTA tax withheld (see page 37) — 62		
63	Other payments. Check if from **a** ☐ Form 2439 **b** ☐ Form 4136 — 63		
64	Add lines 57, 58, 59a, and 60 through 63. These are your **total payments** ▶	64	

Refund

Have it directly deposited! See page 37 and fill in 66b, 66c, and 66d.

65	If line 64 is more than line 56, subtract line 56 from line 64. This is the amount you **OVERPAID**	65	
66a	Amount of line 65 you want **REFUNDED TO YOU** ▶	66a	
▶ b	Routing number ☐☐☐☐☐☐☐☐☐ ▶ **c** Type: ☐ Checking ☐ Savings		
▶ d	Account number ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐		
67	Amount of line 65 you want **APPLIED TO YOUR 1999 ESTIMATED TAX** ▶ — 67		

Amount You Owe

68	If line 56 is more than line 64, subtract line 64 from line 56. This is the **AMOUNT YOU OWE**. For details on how to pay, see page 38 ▶	68	
69	Estimated tax penalty. Also include on line 68 — 69		

Sign Here

Keep a copy of this return for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature	Date	Your occupation
Spouse's signature. If a joint return, BOTH must sign.	Date	Spouse's occupation

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ☐	Preparer's social security no.
Firm's name (or yours if self-employed) and address ▶			EIN
			ZIP code